



**Commonwealth of Massachusetts
Health Care Quality and Cost Council
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JUDYANN BIGBY, M.D.
Chair

KATHARINE LONDON
Executive Director

Health Care Quality and Cost Council

Meeting Minutes
September 17, 2008
1:00pm - 4:00pm

One Ashburton Place, 21st floor, Boston, MA

Council Members Present: JudyAnn Bigby (Chair), John Auerbach, Charlie Baker, Kevin Beagan, Elizabeth Capstick, James Conway, David Friedman, Sarah Iselin, Leslie Kirwan, Kenneth Labresh, Joseph Lawler, Katharine London, Dolores Mitchell, Gregory Sullivan and Anya Rader Wallack.

Meeting called to order at 1:04pm

I. JudyAnn Bigby introduced three new members of the Council added in C.305.

John Auerbach, Commissioner of Public Health
Sarah Iselin, Commissioner of Health Care Finance and Policy
Leslie Kirwan, Secretary of Administration and Finance

II. Approval of Minutes of Council Meeting July 16, 2008

The Council approved minutes of its July 16, 2008 Meeting with three abstentions (*John Auerbach, Sarah Iselin, and Leslie Kirwan*)

III. Executive Director's Report

• Personnel:

The Council hired Paul O'Neill as half time General Counsel for the HCQCC. Prior to joining the HCQCC staff, Paul served as a board member on the Commonwealth Employment Relations Board. Additionally, Mr. O'Neill has also served as Chief Counsel and Deputy Director for Legal and Legislative Affairs for the MA Department of Workforce Development. The Council also brought on board Jessica Ross, as the Council's Policy Analyst. Ms. Ross recently completed a Master's Degree in Public Health with a focus on biostatistics at Columbia University. She will be supporting the Council's End of Life and Chronic Care Committee.

The Council is working on posting the Deputy Director, Senior Policy Analyst, and second Policy Analyst positions.

• Website Updates:

The Council provided data to hospitals for review in mid-August through a secure internet-based data transfer system. Each hospital received a three-page summary showing every data element that will be posted for that hospital, including star and dollar sign ratings, as well as state averages for comparison. Each hospital also received claim-level detail for each claim the

Council used to calculate cost measures for that hospital. The claims-level data did not include patient-identifying information, in accordance with state and federal privacy laws.

The hospitals' primary focus is on verifying payment levels. The Council's dataset does not include data for most self-insured plans. The Council asked hospitals to report if the median payment reported by the Council differed from the median payment for the hospital's entire private pay population by more than 10%, and to provide data documenting that difference. Additionally, the Council asked hospitals to explain the difference, for example, did they have global payment arrangements, is there an issue with the coding, and is there an issue with one payer's data. Hospitals may also review their quality and volume data and highlight any issues they identify.

Katharine London reported that hospitals' responses are due to the Council today, September 17th. HCQCC staff will review the feedback and will recommend to the Council resolution to each issue identified.

Greg Sullivan requested a process to ask hospitals and health plans to report all supplemental payments. Katharine London stated that although the request for supplemental payments was discussed, the Council did not agree to collect this data. Katharine indicated that collecting this data now will delay the launch and would take time away from projects related to the website. Greg Sullivan moved: *The Council should give hospitals and health plans two weeks to disclose any and all supplemental payments.*

Members of the Council discussed the importance of having this level of information and agreed it should not delay the launch of the website. Councilors noted the request would require additional work for Council staff.

Commissioner of Public Health, John Auerbach asked that Mr. Sullivan amend his motion to remove the specific time frame for the request. Council members agreed there should be a process for requesting this information and until that process is in place, a time frame should not be included in the motion.

JudyAnn Bigby asked that Katharine London work with the Council's Legal Counsel to draft language for the formal request. Sarah Iselin, Commissioner of Health Care Finance and Policy, recommended that the Council research the best way to frame the request and determine from whom the Council will request the data. Greg Sullivan amended his motion given the Council's feedback. *The Council voted unanimously to adopt Mr. Sullivan's motion:*

The Council directs the Executive Director, Katharine London to communicate with providers and health insurers to ask whether the payments represented on the Council's website reflect the totality of the payments from health plans to hospitals, or if there were additional supplemental payments not included in the claims payment. This request should take place after the request methodology has been identified.

Katharine London reviewed a checklist of tasks required for the website to be launched. Ms. London confirmed that all of the tasks are on track to meet the proposed launch date. She suggested that the Council determine whether the request proposed in the motion should be added to the checklist.

- **Council Data Review**

Website back-up data was sent to the Council for review on Friday, September 12th. To avoid a potential conflict of interest, Tom Lee and Charlie Baker were excluded from the

distribution at their request. The Council has the authority to convene an executive session to discuss the data and back-up information. By law, the Council is required to approve the data before it is published on the website.

- **Beta Test**

The HCQCC staff received feedback on the beta test from several members of the Council and the Advisory Committee, as well as members of Health Care for All's Consumer Quality Council. Council staff is working on making adjustments to the website based on the feedback. Katharine London stated that the highest priority is to make changes that will make the website more user friendly. Katharine further stated that the website passed the accessibility standards required under the Americans with Disabilities Act.

- **Reporting Plan Public Hearing:**

Katharine London reviewed a new provision in C.305 requiring the Council to hold a public hearing on the measures to be displayed on the website. Ms. London stated that staff will be scheduling a public hearing on the measures to be displayed in the initial website launch. The Council plans to hold another hearing in the spring of 2009 after the Analytic Consultant assists the Council in developing a 3 year reporting plan. The statutory requirements include the following:

“The council shall, in consultation with its advisory committee, develop and adopt, on an annual basis, a reporting plan specifying the quality and cost measures to be included on the consumer health information website and the security measures used to maintain confidentiality and preserve the integrity of the data. ...

“The council shall, after due consideration and public hearing, adopt or reject the reporting plan or any revisions. If the council rejects the reporting plan or any revisions, the council shall state its reasons for the rejection. The reporting plan and any revisions adopted by the council shall be promulgated by the council. The council shall submit the reporting plan and any periodic revisions to the chairs of the house and senate committees on ways and means and the chairs of the joint committee on health care financing and the clerks of the house and senate.”[M.G.L. c.6A, s.16K(e)]

- **RFPs**

Statistician Consultant – The Council received two responses to the Statistician RFP and is working to finalize the contract. The statistician will advise the Council on statistical issues related to the website and data analysis.

Roadmap Project Director – Representatives of six vendors attended the bidders' conference in August. Responses are due September 18th. The Council expects to receive bids from at least two organizations. The Review Team will include Anya Rader Wallack; Kate Nordahl, DHCFP; Nancy Ridley, DPH; Doug Thompson, EOHHS; and Jessica Ross, the Council's Policy Analyst.

Analytic Consulting Vendor – Representatives of seven vendors attended the bidders' conference, including the two vendors who bid the first time the RFP was posted. Proposals are due October 10th. The Review Team will include Gilles Charest; Linda Green, DHCFP; Brennan Holmes, GIC; and MaryAnn Walsh, DOI.

- **Regulations**

Data Collection. 129 CMR 2.00: Uniform Reporting System for Health Care Claims Data Sets.

- *Race and Ethnicity Data.* The Brookings Institute will begin contacting health plans to conduct its initial assessment, and is convening an expert panel and a large working group.
- *Dental.* The Council stated last year that it would begin collecting dental claims data this year. Consumers have a particular interest in dental costs, since many consumers pay out of pocket for dental care. Gilles Charest is developing initial draft specifications for dental claims data collection. The Maine Health Information Center staff will review the draft and make any necessary corrections and then staff will schedule a series of informal Technical Advisory Group meetings to solicit feedback on details of the claims data collection. Staff will use the group's recommendation to develop a regulatory proposal.

Data Release. 129 CMR 3.00: Disclosure of Health Care Claims Data was discussed. The Council will appoint members to the Data Release Review Board. Executive Director, Katharine London is developing a slate of candidates to recommend to the Council.

Data Release to a Provider. 129 CMR 4.00: Disclosure of Health Care Claims Data to a Provider. The Council adopted this regulation as an emergency at its May 2008 meeting. The regulation allows the Council to disclose data for review by the organization that provided the care before this data is released publicly. The Council held a public hearing on this regulation on July 9. No testimony was submitted at the public hearing or during the public comment period. The Executive Director filed a notice of compliance with the Secretary of State's office on August 6. This regulation is now permanently in effect.

IV. Items for Discussion

A. Review of C. 305: An Act to Promote Cost Containment, Transparency and Efficiency in the Delivery of Quality Health Care – JudyAnn Bigby

Council Chair JudyAnn Bigby gave a presentation on Chapter.305 focusing on the impact the new provisions have on the Council and its work. The presentation gave an overview of several changes to the Council structure and responsibilities. Dr. Bigby discussed the impact and the opportunities presented in this new revision. This presentation is available on the Council's website, www.mass.gov/healthcare.

B. Display of Quality Data – John Freedman, MD, Clinical Consultant

John Freedman the Council's Clinical Consultant reviewed recommendations from the Communications and Transparency Committee regarding display of statistical significance on the Council's Cost and Quality Website.

Dr. Freedman reviewed the Four Display Options initially presented to the Communications and Transparency. The Committee recommended using a hybrid method to display summary data on the Council's website by displaying both the stars and dollar signs based on percentile rankings and statistical significance based on a 95% confidence interval. This method:

- Is easy to understand; intuitive for non-statisticians;
- Maintains rank order;
- Mitigates effects of small differences between hospitals;

- Allows for indication of statistical significance; and
- Discriminates less between large and small hospitals.

Council members noted that the website should include very specific language to explain the concept of statistical significance to consumers.

The Council voted unanimously to accept the Communications and Transparency Committee's recommendation to display both percentile rankings and statistical significance on the website.

Website Updates - Afsana Akhter, Medullan

Afsana Akhter presented results from the website beta testing process.

In August members of the Council and Advisory Committee were given the opportunity to test the Council's Cost and Quality website. Members were able to log on to the website and have access to draft versions of the text, actual quality data, and simulated cost data. From these sessions, Medullan received written 57 items of feedback from six members of the Council.

On August 13th, Medullan conducted a two hour testing session with nine participants from the HCFA consumer group. Participants were able to access draft versions of the text, actual quality data, and simulated cost data. Participants provided 67 items of feedback.

Ms. Akhter highlighted key areas identified in the feedback and discussed the approach Medullan staff is taking to meet the recommendations and suggestions made by the Council, Advisory Committee and consumers.

C. Budget: Adoption of Proposed State Fiscal Year 2010 Budget Request

JudyAnn Bigby asked the Council to vote to approve the FY 2010 Budget Request to be submitted to the Executive Office of Administration and Finance.

Katharine London reviewed the proposed budget for FY2010. Ms. London recommended that given the budget constraints, the Council adopt a conservative spending approach and prioritize FY2010 spending plans.

Greg Sullivan introduced 2 Amendments to the FY2010 proposed budget:

Amendment 1: Amend the FY2010 Budget Request in the HH Class by adding the following:

Analyze the impact on health care cost of the concentration of provider market power by geographical region and medical service and the concentration of insurer's market power. \$150,000. And by increasing the total request from \$3 090,438 to \$3,240,438

Councilors discussed Amendment 1 and noted there are currently no entities doing this type of work. Some Councilors agreed this information is important to track progress and to better direct the Council's work, others felt it should not be a priority at this time given the budget constraints.

The Council approved Amendment 1:

-8 For (Charlie Baker, Kevin Beagan, Beth Capstick, Joseph Lawler, Delores Mitchell, David Friedman, Jim Conway, and Greg Sullivan.

-4 Opposed (John Auerbach, Anya Wallack, Kenneth LaBresh, and JudyAnn Bigby)

-1 Abstention (Sarah Iselin)

Greg Sullivan moved adoption of Amendment 2:

Amend the FY2010 Budget request in the HH class by adding the following:

Analyze the rates and utilization of Massachusetts health care providers, including both teaching and non-teaching hospitals, and compare to other jurisdictions. \$100,000. And by increasing the total request from \$3,090,438 to \$3,190,438.

Councilors discussed Amendment 2 and noted that much of the work being proposed in the amendment is currently being done by other state agencies and outside entities. Some Councilors requested that before adding this amendment as a line item on the FY10 budget, there should be more investigation and outreach to entities already doing this type of work.

The Council voted to not include Amendment 2 in the FY 2010 budget:

-5 For (Dolores Mitchell, David Friedman, Greg Sullivan, Charlie Baker, and Beth Capstick),

-7 Opposed (Joseph Lawler, Anya Wallack, Jim Conway, Kenneth LaBresh, JudyAnn Bigby, John Auerbach, Kevin Beagan)

-1 Abstention (Sarah Iselin)

JudyAnn Bigby proposed a motion to approve the FY 2010 proposed budget request with Amendment 1. *The Council approved the FY2010 proposed budget request with Amendment 1* (11 for, JudyAnn Bigby opposed, and Sarah Iselin abstaining).

D. Adoption of 129 CMR 3.00 Disclosure of Health Care Claims Data

Paul O'Neill reviewed regulation 129 CMR 3.00 Disclosure of Health Care Claims Data. Council staff recommended amendments to the initial proposal in response to testimony received at the public hearing. Most recently, staff added language to comply with new provisions of the Council's statute, added by C.305 of the Acts of 2008:

"The council shall provide the division of health care finance and policy with a database of health care claims data submitted pursuant to this section under an interagency service agreement for the purpose of conducting data analysis and preparing reports to assist in the formulation of health care policy and the provision and purchase of health care services. ...

"The council shall, through interagency service agreements, allow the use of its data by other state agencies, including division of health care finance and policy, for review and evaluation of mandated health benefit proposals as required by section 38C of chapter 3." [MGL c.6A, s.16K(f)]

Ken LaBresh made moved to list the provider Tax ID field as a Level 2 data element instead of Level 3. The Council approved this motion (11 for, John Auerbach abstaining).

The Council adopted regulation 129 CMR 3.00 Disclosure of Health Care Claims Data, as amended (11 for, John Auerbach abstaining).

E. Committee Reports

Due to time constraints the Council was not able to hear reports from its committees.

Katharine London noted that the Patient Safety Update and press release were published on September 16, 2008. The Council agreed to follow-up with Item E. during the next Council meeting in October 2008.